

OxyChem®

Michael A. James
Assistant General Counsel

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

100120 ORIGINAL (Red)
April 20, 1993

Ms. Joan Armstrong (3HW11)
U. S. Environmental Protection Agency
841 Chestnut Building
Philadelphia, Pennsylvania 19107

**RE: Standard Chlorine Superfund Site
Delaware City, Delaware**

Dear Ms. Armstrong:

This is in response to a letter from EPA Region III addressed to Diamond Alkali Company, dated March 25, 1993, and received by Occidental Chemical Corporation ("OxyChem") on March 29. Thank you for granting orally my request for a 15-day extension to reply to the letter.

Much of the information and records you seek are not in the possession of OxyChem. Our necessarily limited responses to your questions, arranged in the order you presented them, are as follows:

Responses to Question 1.

- a) OxyChem has no knowledge that any operations took place on the two tracts identified in your letter during the time they were owned by Diamond Alkali Company or its successor, Diamond Shamrock Corporation. The sales evidenced by the deeds provided with your letter took place years before the sale by Diamond of substantially all its chemicals manufacturing operations to OxyChem in 1986.



Occidental Chemical Corporation
Corporate Office
Occidental Tower, 5005 LBJ Freeway
P.O. Box 809050, Dallas, TX 75380-9050
214/404-3966; FAX 214/404-3647

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- b) OxyChem has no knowledge of hazardous substances used on the two tracts conveyed by Diamond Shamrock to Standard Chlorine of Delaware, Inc. ("Standard") in 1970 and 1980. OxyChem is aware that Diamond Shamrock owned manufacturing facilities on the east side of Route 9 and vacant land on the west side. Such of these properties and facilities that were owned by Diamond Shamrock as of September 1986 were acquired by OxyChem. OxyChem also is aware that the manufacturing operations of Standard have involved certain chlorobenze compounds (as products, byproducts, or wastes) that were present in an outfall discharge to a "waste lake" on Diamond's manufacturing plant site (now OxyChem's) during the period (approximately) from late 1968 to early 1973. Furthermore, OxyChem also is aware of two spills of chlorobenzenes from storage tanks at Standard's facilities, which have contaminated property adjacent to the Standard plant (some of which property is OxyChem's).
- c) See the response to 1.b., above. OxyChem does not have detailed knowledge of wastes, byproducts or hazardous substances -- past or present -- involved with Standard's operations.
- d) See the responses to 1.b. and c., above. OxyChem's only knowledge of the subject matter of this question relates to the 1968-1973 discharge of Standard's "outfall" to the "waste lake" at OxyChem's (then Diamond Shamrock's) chemical plant site.

Responses to Question 2.

OxyChem has limited knowledge of the organizational structure and development of Diamond Alkali prior to Oxy's acquisition of Diamond Shamrock's chemicals operations in 1986. In 1967, Diamond Alkali Company merged with Shamrock Oil & Gas Corporation and became Diamond Shamrock Corporation. The latter placed all of its chemicals manufacturing operations into a wholly-owned subsidiary, Diamond Shamrock Chemical Corporation ("DSCC") the stock of which was

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purchased by Occidental Petroleum Corporation (and its wholly-owned subsidiaries, including OxyChem) on September 4, 1986. OxyChem absorbed the commodity chemicals operations of DSCC, initially as "Occidental Electrochemicals Corporation," then merged it into OxyChem in 1987. Also in 1987, the surviving Diamond Shamrock Corporation "spun off" its oil refining and marketing operations in a stock dividend, creating a (nominally) independent Diamond Shamrock Refining and Marketing Corporation, and renamed itself Maxus Energy Corporation, an oil and gas exploration and production company.

- a) Copies of excerpts from the September 4, 1986, Stock Purchase Agreement, referenced above, are enclosed. I have provided the cover page, the first and second pages (through Section 1.01) and the signature page (p. 161). In order to prevent the waste of paper I have not copied the balance of the document, or its numerous exhibits and schedules. OxyChem does not have documents evidencing other aspects of the relationships recounted above, to which it was not a party. For other documents and details, you may wish to contact Maxus Energy Corporation at 717 North Harwood Street, Dallas, Texas 75201, attention Mr. Paul W. Herring.

The above responses were prepared by the undersigned, Michael A. James, after consulting with John R. Wheeler, Suite 1800, Occidental Tower, 5005 LBJ Freeway, Dallas, Texas 75244; telephone 214/404-3293.

I suggest that you review my letter of November 6, 1992 to Katherine A. Lose of Region III, which also discusses the relationship between operations of OxyChem and those of Standard at Delaware City.

Sincerely,



MAJ:bes
Enclosures

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[Conformed Copy]

STOCK PURCHASE AGREEMENT

By and Among

DIAMOND SHAMROCK CORPORATION

OCCIDENTAL PETROLEUM CORPORATION

OCCIDENTAL CHEMICAL HOLDING CORPORATION

and

OXY-DIAMOND ALKALI CORPORATION

dated

September 4, 1986

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STOCK PURCHASE AGREEMENT

This STOCK PURCHASE AGREEMENT ("Agreement") made as of the 4th day of September, 1986, by and among DIAMOND SHAMROCK CORPORATION, a Delaware corporation ("Seller"), OCCIDENTAL PETROLEUM CORPORATION, a Delaware corporation ("OPC"), OCCIDENTAL CHEMICAL HOLDING CORPORATION, a California corporation ("Oxy-Chem"), and OXY-DIAMOND ALKALI CORPORATION, a Delaware corporation ("Buyer");

W I T N E S S E T H:

WHEREAS, each of Oxy-Chem and Buyer is an indirect wholly owned subsidiary of OPC; and

WHEREAS, Seller is the record and beneficial owner of 1,000 shares, being all of the issued and outstanding shares, of Common Stock, par value \$1.00 per share (the "Shares"), of Diamond Shamrock Chemicals Company, a Delaware corporation ("DSCC"); and

WHEREAS, pursuant to this Agreement Buyer desires to acquire from Seller and Seller desires to transfer to Buyer substantially all of the Chemicals Business of the DSCC Companies, other than the Cogeneration Business Unit (as all of those terms are defined in Section

2.02 hereof), and, in furtherance thereof, Seller desires to sell and transfer the Shares to Buyer and Buyer desires to purchase and acquire the Shares from Seller, all upon the terms and subject to the conditions hereinafter set forth; and

WHEREAS, OPC and Oxy-Chem have entered into this Agreement in order to induce Seller to enter into this Agreement.

NOW, THEREFORE, it is agreed as follows:

ARTICLE I

Purchase and Sale of Shares

Section 1.01 Purchase and Sale. Subject to the conditions set forth in Articles VI and VII hereof, at the Closing (as defined in Section 5.01 hereof), Buyer shall purchase and accept from Seller, and Seller shall sell, transfer and deliver to Buyer, the Shares for the Purchase Price (as defined in Section 1.02 hereof).

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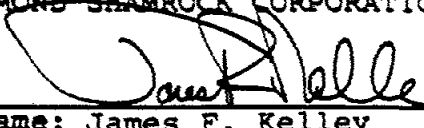
any such provision hereof is inconsistent with any prior draft hereof or thereof.

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed by its duly authorized officers as of the day and year first above written.

Seller:

~~DIAMOND SHAMROCK CORPORATION~~


By


Name: James F. Kelley
Title: Senior Vice President

OPC:

OCCIDENTAL PETROLEUM CORPORATION


By


Name: Dale R. Laurance
Title: Executive Vice President

Buyer:

OXY-DIAMOND ALKALI CORPORATION


By


Name: R. B. Casriel
Title: Vice President & Treasurer

Oxy-Chem:

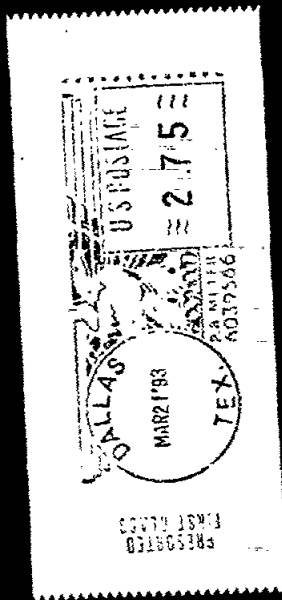
OCCIDENTAL CHEMICAL HOLDING CORPORATION

By


Name: R. B. Casriel
Title: Vice President & Treasurer

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